

STATEMENT OF PURPOSE

RS19570

This legislation is the first comprehensive statutory overhaul of chapter 20, title 50, Idaho Code, the Urban Renewal Law (the "Law") since the Law's enactment in 1965 and of chapter 29, title 50, Idaho Code, the Local Economic Development Act (the "Act") since the Act's enactment in 1988. The purpose of this legislation is to reform and modernize the Law and the Act to improve these important economic tools which allow the development of local/regional economies as well as the economy of the state as a whole.

The purpose of the legislation is (1) to amend the Law and the Act to reflect primarily administrative changes to be effective immediately and will apply to all existing urban renewal agencies and urban renewal plans and (2) to combine chapters 20 and 29, title 50, Idaho Code, into one new general overview chapter, chapter 32, title 50, Idaho Code, cited as the Idaho Urban Reinvestment Act. The Idaho Urban Reinvestment Act contains two new subchapters which establish a classification system separating deteriorating area projects from those projects promoting economic, industrial, residential, and/or mixed-use development and provides guidance as to what constitutes an eligible project under each classification. These subchapters are titled "Deteriorating Area" and "Economic Development." Chapter 32, title 50, Idaho Code, will apply to urban renewal agencies and urban renewal plans formed after the effective date, and to existing plans when those plans are amended to add geographic areas, or to increase the termination date of the plan from the current termination date to the maximum termination date of twenty-four (24) years.

FISCAL NOTE

This legislation will have no impact on the general fund.

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